

Internal Revenue Service, Treasury

§ 1.883-0T

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- (d) [Reserved] For further guidance, see the entry for § 1.883-5T(d).

- (e) [Reserved] For further guidance, see the entry for § 1.883-5T(e).

[T.D. 9087, 68 FR 51399, Aug. 26, 2003, as amended by T.D. 9332, 72 FR 34604, June 25, 2007]

§ 1.883-0T Outline of major topics (temporary).

This section lists the major paragraphs contained in §§ 1.883-1T through 1.883-5T.

§ 1.883-1T Exclusion of income from the international operation of ships or aircraft (temporary).

- (a) through (c)(3)(i) [Reserved] For further guidance, see entries for § 1.883-1(a) through (c)(3)(i).
- (ii) Further documentation.
 - (A) General rule.
 - (B) Names and addresses of certain shareholders.
- (c)(4) through (g)(2) [Reserved] For further guidance, see entries for § 1.883-1(c)(4) through (g)(2).
- (3) Other services. [Reserved]
- (g)(4) through (h)(2) [Reserved] For further guidance, see entries for § 1.883-1(g)(4) through (h)(2).
- (3) Special rules with respect to income tax conventions.
 - (i) Countries with only an income tax convention.
 - (ii) Countries with both an income tax convention and an equivalent exemption.
 - (A) General rule.
 - (B) Special rule for simultaneous benefits under section 883 and an income tax convention.
 - (iii) Participation in certain joint ventures.
 - (iv) Independent interpretation of income tax conventions.
- (h)(4) through (j) [Reserved] For further guidance, see entries for § 1.883-1(h)(4) through (j).

§ 1.883-2T Treatment of publicly-traded corporations (temporary).

- (a) through (e)(1) [Reserved] For further guidance, see entries for § 1.883-2(a) through (e)(1).
- (2) Availability and retention of documents for inspection.
- (f) [Reserved] For further guidance, see entry for § 1.883-2(f).

§ 1.883-3T Treatment of controlled foreign corporations (temporary).

- (a) General rule.
- (b) Qualified U.S. person ownership test.
 - (1) General rule.
 - (2) Qualified U.S. person.
 - (3) Treatment of bearer shares.
 - (4) Attribution of ownership through certain domestic entities.

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- (5) Examples.
- (c) Substantiation of CFC stock ownership.
 - (1) In general.
 - (2) Ownership statements from qualified U.S. persons.
 - (3) Ownership statements from intermediaries.
 - (4) Three-year period of validity.
 - (5) Availability and retention of documents for inspection.
- (d) Reporting requirements.

§ 1.883-5T Effective/applicability dates (temporary).

- (a) through (c) [Reserved] For further guidance, see entries for § 1.883-5(a) through (c).
- (d) Effective date.
- (e) Applicability dates.
- (f) Expiration date.

[T.D. 9335, 72 FR 34604, June 25, 2007]

§ 1.883-1 Exclusion of income from the international operation of ships or aircraft.

(a) *General rule.* Qualified income derived by a qualified foreign corporation from its international operation of ships or aircraft is excluded from gross income and exempt from United States Federal income tax. Paragraph (b) of this section defines the term *qualified income*. Paragraph (c) of this section defines the term *qualified foreign corporation*. Paragraph (f) of this section defines the term *international operation of ships or aircraft*.

(b) *Qualified income.* Qualified income is income derived from the international operation of ships or aircraft that—

(1) Is properly includible in any of the income categories described in paragraph (h)(2) of this section; and

(2) Is the subject of an equivalent exemption, as defined in paragraph (h) of this section, granted by the qualified foreign country, as defined in paragraph (d) of this section, in which the foreign corporation seeking qualified foreign corporation status is organized.

(c) *Qualified foreign corporation*—(1) *General rule.* A qualified foreign corporation is a corporation that is organized in a qualified foreign country and considered engaged in the international operation of ships or aircraft. The term *corporation* is defined in section 7701(a)(3) and the regulations thereunder. Paragraph (d) of this section defines the term *qualified foreign*

country. Paragraph (e) of this section defines the term *operation of ships or aircraft*, and paragraph (f) of this section defines the term *international operation of ships or aircraft*. To be a qualified foreign corporation, the corporation must satisfy the stock ownership test of paragraph (c)(2) of this section and satisfy the substantiation and reporting requirements described in paragraph (c)(3) of this section. A corporation may be a qualified foreign corporation with respect to one category of qualified income but not with respect to another such category. See paragraph (h)(2) of this section for a discussion of the categories of qualified income.

(2) *Stock ownership test.* To be a qualified foreign corporation, a foreign corporation must satisfy the publicly-traded test of § 1.883-2(a), the CFC stock ownership test of § 1.883-3(a), or the qualified shareholder stock ownership test of § 1.883-4(a).

(3) *Substantiation and reporting requirements*—(i) *General rule.* To be a qualified foreign corporation, a foreign corporation must include the following information in its Form 1120-F, “U.S. Income Tax Return of a Foreign Corporation,” in the manner prescribed by such form and its accompanying instructions—

(A) The corporation’s name and address (including mailing code);

(B) The corporation’s U.S. taxpayer identification number;

(C) The foreign country in which the corporation is organized;

(D) [Reserved] For further guidance, see § 1.883-1T(c)(3)(i)(D).

(E) The category or categories of qualified income for which an exemption is being claimed;

(F) A reasonable estimate of the gross amount of income in each category of qualified income for which the exemption is claimed, to the extent such amounts are readily determinable;

(G) through (I) [Reserved] For further guidance, see § 1.883-1T(c)(3)(i)(G) through (I).

(ii) [Reserved] For further guidance, see § 1.883-1T(c)(3)(ii).